

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
October 6, 2025
City Council Chambers

MEMBERS PRESENT: Mayor King, Council Members, Laura Helle, Oballa Oballa, Paul Fischer, Michael Postma, and Jason Baskin

MEMBERS ABSENT: Council Member-at-Large Jeff Austin and Council Member Rebacca Waller

STAFF PRESENT: City Administrator Craig Clark, Police Chief David McKichan, Fire Chief Jim McCoy, Public Works Director Steven Lang, Planning and Zoning Director Holly Wallace, Library Director Julie Clinefelter, Parks, Recreation, & Forestry Director Jason Schon, Human Resources Director Trish Wiechmann, Clerk, Cashier, & Administration Clerk Kellie Humphress, and City Clerk Brianne Wolf

APPEARING IN PERSON: Curtis Sorenson

Item #1 Existing Multi Family Tax Abatement Request – Curtis Sorenson

City Administrator Craig Clark stated Mr. Sorenson applied for the housing tax abatement program and received a letter from Mr. Clark indicating he did not qualify, as this is not a new build. Additionally, approvals must be obtained before a building permit is issued. This property appears to have been issued building permits to start construction.

Curtis Sorenson, owner of the Westcott Apartment Complex, stated he acquired the building last October and has been working toward getting everything in line for the renovation. Mr. Sorenson stated this building will be renovated into a 23-unit apartment complex. It will contain thirteen two-bedroom units and ten one-bedroom units. He stated they have not closed on the building, and they have not started any construction. They are currently doing demolition on the building. He stated he understands the purpose of the Austin Home Initiative is for new construction of single and multifamily homes to provide incentives to encourage the construction of new owner occupied and rental residential housing units, but it also encourages the replacement of dilapidated housing structures within the City of Austin. He would like the City Council to consider his project as the County has approved of this project, and he will be going in front of the Austin Public School board in the upcoming weeks to seek approval. Mr. Sorenson believes he needs to gain approval from all three entities to receive the tax abatement.

Mr. Clark stated each entity can independently act to approve the abatement.

Mr. Sorenson stated if he did not receive the tax abatement the tenants' rent would be affected.

Council Member Baskin asked for clarification and wanted to know if the tax abatement was only granted for new construction. He stated he understands if it is. He would like to know if they could place parameters on this.

Mayor King asked if they could make a multi-family carve out.

Council Member Postma stated he is in favor of the program they currently have in place. He understands why they created the regulations in the beginning. He wants to ensure he is setting up good precedents for

the future. He understands the City needs to have additional housing. He would like to know if, when a tax abatement is applied to this project or similar future projects, the price of the building would shift and subsequently increase due to receiving a tax abatement. This is a concern for him.

Mr. Sorenson stated the previous building had no tax base, so the new building will establish one. He does agree that buildings or homes that are only getting a remodel would not qualify for this abatement.

Council Member Fischer stated Mr. Sorenson makes some good points for the Council to consider.

Council Member Oballa agrees and feels Mr. Sorenson has a strong case.

Council Member Postma suggested they could create a different program for homes or buildings that were being remodeled or rehabilitated.

Council Member Helle stated they need to work with Planning and Zoning for an overall strategy. She does not believe Council should be doing this on an ad hoc basis.

Council Member Baskin stated he would like to look at options to help to limit the scope of these projects. He would like to set a minimum increase of the value of the building applying and he would like to look at a three-year versus a five-year abatement.

Council Member Helle stated Council needs to get more taxable properties into neighborhoods. They need to look at the vacant lots in neighborhoods. She stated this is a long-term project, but it is something Council should be focusing on.

Mr. Clark stated any conditions Council would like can be added to an abatement. He would like to know if Council would like any conditions or amendments to be placed on this abatement request. He stated the Council would not be able to use the current tax abatement program but could use a type of abatement.

Council Member Baskin stated they need to define the minimum requirements and the benefits to taxpayers.

Council Member Helle asked if the property would offer market rate apartments.

Mr. Sorenson stated no, not necessarily. The bank requires a specific debt service ratio, and it would be determined at the time of closing. He anticipates the rent would be approximately \$1,100 to \$1,200 for one bedroom and \$1,300 to \$1,400 for two bedrooms.

Council Member Baskin stated he is not super interested in this as it is a dangerous game for the City to get involved with figuring out rent. He would be interested in figuring out how to make this program work for other buildings as well and what the benefit would be for taxpayers.

Council Member Postma doesn't believe Council will be able to meet Mr. Sorenson's bank deadline with any rent subsidies or tax abatement needs. He wants to be careful about the abatements the Council is giving out as he wants to be thoughtful in this process; he does not want to suppress the market.

Mr. Sorenson stated there aren't many buildings in Austin designed like this, where this type of project would be able to take place. He is asking the Council to consider the abatement for his project.

Mayor King asked what the City and Mr. Sorenson would be able to do if they were able to do a tax abatement.

Mr. Clark stated he would have to visit with City Attorney Craig Byram to discuss what the options would be.

Council Member Baskin would like to figure out something.

Council Member Fischer agrees that something needs to be done sooner than later.

Council Member Helle also agrees. She thinks there needs to be an affordable strategy and a market rate strategy.

Council Member Helle instructed Mr. Clark to work with Mr. Byram and Mr. Sorenson for a tax abatement. This will be brought to the next work session for discussion.

Item # 2 Main Street Temporary Bump Out Discussion – Steven Lang

Public Works Director Steven Lang stated in the fall of 2022 he reviewed with the Council the intersection of 2nd Avenue NW and North Main Street and decided to change it from a four-way stop to a two-way stop. They also discussed placing bump-outs at this intersection. Since this has been implemented, Mr. Lang has been concerned about visibility because they were unable to eliminate parking stalls adjacent to the intersection while trying to save parking spaces. They are also having issues with citizens still stopping at this intersection. They have received feedback that the community would like this to be switched back to a four-way stop. Mr. Lang would like input from the Council on how to proceed.

Mayor King stated he would suggest they put it back to a four-way stop.

Council Member Postma stated it can go back to a four-way stop.

Council Member Baskin agrees, and stated this intersection can go back to a four-way stop.

Moved by Council Member Postma, seconded by Council Member Baskin, to turn the 2nd Avenue NW and Main Street Intersection into a four-way stop, he would also like painting inside the delineators done next spring and a City Facebook post to announce these changes. Carried.

This will be added to the October 20, 2025 Council meeting.

Open Discussion

Council Member Postma asked for an update on the Finance Director position.

Human Resources Director Trish Wiechmann stated they have received a couple applications.

Council Member Helle stated in April Council agreed they would review the City Administrator in October. She would like to get this scheduled. She also stated Council needs to schedule time to start working on a vision, mission, and values statement for the City.

Mayor King stated this is scheduled and will occur in the beginning of November. He suggested reviewing the City Administrator every four months instead of every three months.

Council Member Baskin stated the private sector does quarterly check-ins with their employees.

Moved by Council Member Postma seconded by Council Member Baskin to adjourn the meeting at 7:40 PM. Carried.

Respectfully Submitted,

Brianne D. Wolf, City Clerk